

**16-120. Reimbursement for warranty work.** (a) As used in this section:

(1) "Contract" has the meaning provided by K.S.A. 16-1302 or 16-1402, and amendments thereto.

(2) "Dealer" includes farm equipment dealers, as defined in K.S.A. 16-1202, and amendments thereto, or retailers, as defined in K.S.A. 16-1302 or 16-1402, and amendments thereto.

(3) "Dealership agreement" has the meaning provided by K.S.A. 16-1202, and amendments thereto.

(4) "Equipment" includes farm equipment, as defined in K.S.A. 16-1202, and amendments thereto, outdoor power equipment, as defined in K.S.A. 16-1302, and amendments thereto, or equipment, as defined in K.S.A. 16-1402, and amendments thereto.

(5) "Manufacturer" includes farm equipment manufacturers as defined in K.S.A. 16-1202, and amendments thereto, or suppliers, as defined in K.S.A. 16-1302 or 16-1402, and amendments thereto.

(b) With respect to any equipment sold on or after July 1, 2000, any warranty repair work performed for a consumer by a dealer under the provisions of a manufacturer's express warranty, shall require the manufacturer to reimburse the dealer at an hourly labor rate which is the same as the hourly labor rate the dealer currently charges consumers for nonwarranty repair work.

(c) Nothing in this act shall apply to, or operate or be construed to invalidate, impair or otherwise infringe upon the specific requirements of any contract or dealership agreement between a dealer and a manufacturer entered into prior to the effective date of this act, if such contract or dealership agreement is in effect on the effective date of this act.

(d) The provisions of this section shall not apply to a manufacturer who provides in a written dealer agreement for compensation to a dealer for warranty labor costs either as (1) a discount in the pricing of the equipment to the dealer or, (2) a lump sum payment to the dealer, provided such payment is not less than 5% of the suggested retail price of the equipment.

**History:** L. 2000, ch. 83, § 1; July 1.